Contract Clearance for XX Program

XX Jan XX

Purpose

Request Contract Clearance Approval

To

Conclude Negotiations and Award

or

Award

Government Team

- **Program Manager:**
- **PCO:**
- **Contract Specialist:**
- **Technical:**
- **Price Analyst:**
- **ACO:**

Program Description

- **Provide a brief description of your program**
- **Efforts include**
- **User(s)**
- **Follow on efforts**

Background

- **Contract Value:**
- **Contractor Name:**
- **Contract Type:**
- **Type Action: Sole Source**
- **Pricing: (Traditional or One Pass Method)**
- **Services or Supply Contract**
- **Period of Performance:**
- **Options:**
- **J&A Approval Level:**
- **J&A Approval Date:**
- **Delegations:**

Funding

- **Provide funding profile**
- **Source(s) of funding**
- **Initial obligation**
- **Future obligations**

CLIN Structure

CLIN		CLIN Type	Funding
0001	Description	CPAF	3600
0002	DATA	NSP	
0003	Description	FFP	3400
0004	Option(s)	FFP	3400

Terms & Conditions

- **Special Clauses**
- **Small Business Concerns**
- **Funding Issues**
- **Security Issues**
- **OCI Status**
- **GFP**
- **Award Fee Approval**
- **Any Relevant Issues**

Contract Award Schedule

- **Contract Clearance Approval XX May XX**
- **Conclude Negotiations XX May XX**
- **Legal Review XX Jun XX**
- **1279 Notification XX Jun XX**
- **Contract Award XX Jun XX**

Unresolved Review Comments

- **Present any issues and/or comments from legal and/or clearance reviews that have not been resolved**

Pricing Summary

- **Cost and Pricing Data**
- **DCAA Review/Comments**
- **DCMA Review/Comments**
- **Hours**
- **Any Relevant Issues**

Price/Cost Summary

	PROPOSED	OBJECTIVE		NEGOTIATED	
	8 Jun 04	17 Jul 04		20 Jul 04	
Target Cost	$3,122,521	$2,865,000		$2,950,000	
Target Profit	468,380			272,200	265,500
Target Price	$3,590,901	$3,137,200		$3,215,500	
Profit Percent	15%	9.5%		9%	
Contract Type	FPIF	FPIF		FPIF	
Share: Over	90/10	75/25		80/20	
Under	70/30	75/25		60/40	
Ceiling	$4,059,277	$3,409,350		$3,422,000	
Ceiling Percent	130%	119%		116%	

Basic/Options ($000s)

	Proposed 19-Apr-01	Objective 1-Jun-01	Negotiated 20-Jun-01	Difference $	Difference %
Total Cost FFP	$ 5,360	$ 5,344	$ 5,344	$ 16	0.3%
Profit	965	771	771	236	
Total Price FFP	$ 6,325	$ 6,115	$ 6,115	$ 210	3.3%
T &M	805	805	805	-	
Total Price Basic	$ 7,130	$ 6,920	$ 6,920	$ 210	3.3%
Total Price Optns	$ 1,252	$ 1,210	$ 1,210	$ 42	3.3%

Cost Element Summary

FFP ONLY	Proposed 19-Apr-01	Objective 1-Jun-01	Negotiated 20-Jun-01	Difference $	Difference %
Material	$ 484	$ 472	$ 472	$ 12	2.5%
Material Overhead	33	32	32	1	2.5%
Eng Labor	1,701	1,701	1,701	-	
Eng Overhead	2,431	2,431	2,431	-	
Mfg Labor	54	54	54	-	
Mfg Overhead	121	121	121	-	
Other Direct Costs	438	438	438	-	
G&A	1,060	1,057	1,057	3	0.3%
Subtotal Cost	$ 6,322	$ 6,306	$ 6,306	$ 16	0.3%
Cost of Money	117	117	117	-	
Total Cost	$ 6,439	$ 6,423	$ 6,423	$ 16	0.3%
Profit	1,138	902	902	236	
Total Price	$ 7,577	$ 7,325	$ 7,325	$ 252	3.3%

Direct Material

	Proposed 19-Apr-01	Objective 1-Jun-01	Negotiated 20-Jun-01	Difference $	Difference %
Bal Eng Material	$ 259,832	$ 247,862	$ 247,862	$ 11,970	4.6%
Bal Mfg Material	75,743	75,743	75,743	-	
Bal Subcon Material	148,471	148,471	148,471	-	
Total Direct Material	$ 484,046	$ 472,076	$ 472,076	$ 11,970	2.5%

- AF Objective reflects correction to proposal per ABC Corp. e-mail correspondence dated 04 May 01. DCAA took no exception to remainder of proposed direct material cost.

Direct Labor

	Proposed 19-Apr-01	Objective 1-Jun-01	Negotiated 20-Jun-01	Difference $	Difference %
Software Eng	16,093	16,093	16,093	-	
SIL Support	1,978	1,978	1,978	-	
Systems Eng	2,962	2,962	2,962	-	
Program Admin	8,063	8,063	8,063	-	
Special Test Equip	1,684	1,684	1,684	-	
Computer Based Trg	1,922	1,922	1,922	-	
Logistics	1,078	1,078	1,078	-	
Proposal prep	2,621	2,621	2,621	-	
Option hours	6,599	6,599	6,599	-	
Total Labor Hours	43,000	43,000	43,000	-	
Total Labor - $K	$ 1,755	$ 1,755	$ 1,755	-	

- AF Objective hours based on One Pass and SPO Tech Evaluation
- Hourly direct labor rates based on current negotiated FPRA

Weighted Guidelines

CONTRACTOR RISK FACTORS

	WEIGHT	RANGE	FACTOR	BASE	PROFIT
TECHNICAL RISK	50%	3% TO 7%	5.0%		
MANAGEMENT/COST RISK	50%	3% TO 7%	5.0%		
TOTAL PERFORMANCE RISK			5.0%	$000,000,000	$000,000,000
CONTRACT TYPE:	FFP	2% TO 4%	3.0%	$000,000,000	$000,000,000

	LGTH FACTOR	T.RATE	COSTS
FINANCED WORKING CAPITAL $000,000,000	0.00	00.000%	$000,000,000

FACILITIES CAPITAL EMPLOYED

	RANGE	VALUE	BASE	PROFIT
EQUIPMENT	10% TO 25%	17.5%	$000,000,000	
COST EFFICIENCY FACTOR	0% TO 4%	0%	$000,000,000	$000,000,000

PROFIT SUMMARY

	MARKUP	PROFIT	PROFIT
AFNT OBJECTIVE PROFIT $000,000,000	00.00%		00.00%
CONTRACTOR PROPOSED PROFIT $000,000,000	00.00%		00.00%

Recommendation

XXX/PK Approve Contract Clearance

To

Conclude Negotiations and Award

or

Award

With the Following Conditions: